

**Reauthorization Subcommittee Meeting  
Draft Minutes  
World Class Conference Room, Kilroy Building, Sea Tac  
February 2, 2006, 1:00 – 3:00 p.m.**

Lead: Rodney Eng, (206) 684-8241

Scribe: Searetha Kelly, (360) 902-7941

<b>Name</b>	<b>Organization</b>	<b>Phone</b>	<b>e-mail</b>
<i><b>Subcommittee Members</b></i>			
Rodney Eng (Lead) Present	City of Seattle	206-684-8241	<a href="mailto:rodney.eng.@seattle.gov">rodney.eng.@seattle.gov</a>
Dan Absher Present	Absher Construction	253-845-9544	<a href="mailto:dra@abshernw.com">dra@abshernw.com</a>
Butch Reifert Absent	Design Industry	206-441-4151	<a href="mailto:breifert@mahlum.com">breifert@mahlum.com</a>
Rocky Sharp Present	Electrical Contractor	253-383-4546	<a href="mailto:rsharp@madsenelectric.com">rsharp@madsenelectric.com</a>
Ed Kommers Present	Mechanical Contractors	206-612-7304	<a href="mailto:ekommers@comcast.net">ekommers@comcast.net</a>
Dave Johnson Absent	WA State Bldg. & Construction Trades Council	360-357-6778	<a href="mailto:DJIW86@aol.com">DJIW86@aol.com</a>
John Palewicz Present	UW	206-221-4223	<a href="mailto:palewicz@u.washington.edu">palewicz@u.washington.edu</a>
John Lynch Present	General Administration	360-902-7227	<a href="mailto:jlynch@ga.wa.gov">jlynch@ga.wa.gov</a>
Wendy Keller Present	Public Hospital Project Review Board	206-684-1912	<a href="mailto:Wendy.Keller@metrokc.gov">Wendy.Keller@metrokc.gov</a>
Tom Peterson Absent	Hoffman Construction	206-286-8697	<a href="mailto:tom-peterson@hoffmancorp.com">tom-peterson@hoffmancorp.com</a>
Ashley Probart Absent	Assoc of WA Cities	360-753-4137	<a href="mailto:ashleyp@awcnet.org">ashleyp@awcnet.org</a>
Dick Lutz Present	Centennial Contractors	360-867-9443	<a href="mailto:dicklutz@comcast.net">dicklutz@comcast.net</a>
Larry Stevens Present	NECA/MCA	253-212-1536	<a href="mailto:lwstevens@wwbd.org">lwstevens@wwbd.org</a>
Paul Berry Present	Former City of Seattle Employee	206-772-1772	<a href="mailto:pnberry1@earthlink.net">pnberry1@earthlink.net</a>
Steve Goldblatt Present	University of Washington	206-685-1676	<a href="mailto:bconbear@u.washington.edu">bconbear@u.washington.edu</a>
Stan Bowman Absent	AIA WA Council	360-943-6012	<a href="mailto:bowman@aiawa.org">bowman@aiawa.org</a>
G.S. "Duke" Schaub Absent	Associated General Contractors	360-352-5000	<a href="mailto:dschaub@agcwa.gov">dschaub@agcwa.gov</a>

<b><i>Other Attendees</i></b>			
Michael Mequet Present	Port of Seattle	(206) 835-7632	<a href="mailto:Mequet.m@portseattle.org">Mequet.m@portseattle.org</a>
Nancy Deakins Present	General Administration	360-902-8161	deakink@dshs.wa.gov
Lyle Martin Absent	Hoffman Construction	206-286-6697	<a href="mailto:Lyle-martin@hoffmancorp.com">Lyle-martin@hoffmancorp.com</a>
Dick Goldsmith Present	AWPHD	206-216-2528	<a href="mailto:richardg@awphd.org">richardg@awphd.org</a>
Michael Transue Absent	AGC	253-223-2508	<a href="mailto:Cmjtransue@comcast.net">Cmjtransue@comcast.net</a>
Dan Vaught Absent	School District Project Review Board	425-489-6447	dvaught@nsd.org

Mr. Lynch stated if we can capture the 20 issues and report on them, we can get them removed from the list. Think about this as each of the task forces give their reports.

**Group 1: #s 5, 12, 14, 17 and 20 (Owner and Project Eligibility),** Lead: Stan Bowman absent, Wendy Keller reporting today

*One page handout (CPARB Owners and Project Issues Meeting, 1/24/06) and discussion:*

- Consensus was reached on nine points (listed on the first page of the handout).  
Discussion regarding:
  - Consensus 1: If authority extended, it will come through this Central Review Board
  - Consensus 5: There should be a centralized review board (should be CPARB) and/or subcommittee of CPARB
- Non-Consensus reached and discussion regarding:
  - Non-consensus 1: Regarding Size thresholds should be eliminated if there is a centralized review process installed. In the end it was agreed that this is an issue more appropriately dealt with by the Expansion Subcommittee
  - Non-consensus 3: Regarding the establishment of separate boards for Eastern and Western Washington – if there are more entities involved, can split of geographically
- Issue 1: Doesn't seem to be enough GC/CMs (limited)
- Issue 2: All 100% of appropriate GC/CM projects – may need to get 90% (of projects that are appropriate for GC/CM) vs. 60 or 70%.
- Unified/Centralized board with these characteristics
  - Do you grandfather the big guys (until you figure out what the CPARB will do)?
  - Review process would become more sophisticated over time

- Contractors will strongly support the centralized review board, sounding board to talk and comment. Benefits for reporting - it is being done consistently also potential in size of projects. Look at complexity of the project, instead of the size.
- How often would the centralized review board meet?
  - Could be based on when you receive application(s) and urgency of the project.
  - Tendency for board to make lots of rules
    1. Proposal to have split board (Eastern Washington and Western Washington) – Concern: Will we end up with inconsistencies because of different criteria for each board?
    2. RCW 39.10 - Expanded version of CPARB. Some standardized packet, would be easy to come up with

**We are moving in the direction of a Centralized Review Board. No one opposed, we have come to a consensus.**

**Group 2: #s 1, 4, 6, and 9 (MACC Group), Lead: John Palewicz**

*Handout Packet (Task Force on MACC Issues, four pages)*

Page 1 of handout :

#1 total consensus (Mr. Kommers will have more detailed information at the next meeting)

#4A - Heart of the matter (two issues here)

#4C – Issue: Prices are soaring

**We have not reached consensus on anything within Task Force #2.**

**Group 3: #s 2, 3, 7, 8, and 11 (Contractor), Lead: Ed Kommers**

Handout Packet, 11 pages (Mechanical Contractors Association of Western Washington)

**We had no consensus on anything. None of these are simple issues within Task Force #3.**

Page 1 (Amendments to RCW 39.10.070)

1. Constructability Analysis – important to subcontractors
2. Use of Contingencies

Page 2 of handout

3. Owner should have particular skills; Pricing is GC/CM specific
  4. DRBs – Dispute Resolution should be an agenda item. Subcontractors see it as good and bad, want early access; some merit to process, subcontractors need to be able to use it.
- The actual changes in statute are very helpful
  - We need to discuss incentive contingencies (need to talk more and have it as an agenda item).
    - Issue of Owners

- King County; General Administration – said they no longer use incentive contingencies; University of Washington – have no problem with prohibiting saving incentives; The Seattle School District has coordination contingency and giving incentives, it is valuable to them. If you take contingency away after 5% (all out of the contractor’s pocket).

#### Consensus

- Getting subcontractors into the process earlier. If certain period time passes with owner responding
  - Want to move the process quicker and subcontractors to have access to the DRB
  - DRB Process – Mr. Kommers stated that the University of Washington binder he can share with the subcommittee members.
  - Concept of providing a specific time frame for the owner’s response to a dispute, and if no response is given in that time frame, the dispute is deemed denied and the subcontractor has the option of moving the dispute to the next stage of the dispute resolution process.

Mr. Eng reminded the subcommittee that it is important to keep on our schedule. The Task Forces should schedule their next meetings, so we can get it listed on the CPARB Website.

#### **Group 4: #s 10 and 13 (Qualification Issues), Lead: Paul Berry**

Mr. Eng thanked Task Force #4 for their work. He also suggested that the members of this task force join other task force groups since they have completed their work.

#### **Meeting Adjournment**

The meeting was adjourned at approximately 3:00 p.m.